

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION JOINT APPROPRIATIONS SUBCOMMITTEE ON CORRECTIONS AND PUBLIC SAFETY

Call to Order: By **CHAIRMAN STANLEY FISHER**, on February 7, 2001
at 8:00 A.M., in Room 317-A Capitol.

ROLL CALL

Members Present:

Rep. Stanley Fisher, Chairman (R)
Sen. Arnie Mohl, Vice Chairman (R)
Rep. Tim Callahan (D)
Sen. Chris Christiaens (D)
Rep. Jeff Pattison (R)
Sen. Debbie Shea (D)
Sen. Tom Zook (R)

Members Excused: None.

Members Absent: None.

Staff Present: Mary LaFond, OBPP
Lorene Thorson, Legislative Branch
Sandra Whitaker, Committee Secretary

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: Department of Corrections,
Montana State Prison AND
Contract Beds Bureau,
2/4/2001

Executive Action: None

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HEARING ON DEPARTMENT OF CORRECTIONS

MONTANA STATE PRISON

Mr. Mike Mahoney, Warden, Montana State Prison gave an overview and slide presentation of Montana State Prison (MSP).

EXHIBIT (jch31a01)

He stated the glue that holds his department together is the mission statement that "Montana State Prison is dedicated to the protection of the public, employees, and offenders while providing the opportunity for offenders to make positive changes." One of their budget requests is to make permanent 31 modified FTE's. He explained how the loss of those FTE's came about giving the committee the history of the 1999 Legislative cut. He stated MSP had to take responsibility for not giving the Legislature sufficient information in the 1999 session to keep the cut from happening. **Warden Mahoney** went on to stress the importance of having those 31 FTE's returned to permanent status for the safety of the inmates, the staff, and the local community. Guard posts need to be manned 24 hours a day, 7 days a week and on all holidays. Lack of sufficient FTE's to man security posts requires overtime pay which costs more in the end than the additional FTE's would cost.

Warden Mahoney explained the relief factor for the committee. It is a formula used to determine the number of staff needed to run a facility. He stated MSP runs below the national average on assaults, and inmate behavior drives necessary staff. He requested a national report (Milosnovich Report) to determine the relief factor and found MSP to be at 1.89 with a recommendation that it should be 2.04. The bottom line is that 290.78 positions are required for the relief factor; MSP currently is funded for 240.00 with the 31 modified FTE's requested to become permanent; this still leaves them almost 20 FTE's short. If the posts are not manned properly, overtime is necessary. If no one volunteers to work the overtime shifts, it becomes mandatory that someone stay a second shift.

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Warden Mahoney also addressed correctional officer pay. On a national level, there is a shortage of correctional officers. The current population of officers is not as interested in job benefits as in hourly pay. With the requested raises of \$1.00 each in FY 2000 and FY 2001, the correctional officer pay will be about \$10.00 per hour. The DOC hopes that this will improve recruitment and decrease turnover. Turnover is costly with recruiting and retraining involved. There was some discussion about the union contract and the proposed 4% performance based

salary increases. **Warden Mahoney** expects to see a favorable reaction from the union.

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Warden Mahoney stated projected utilities costs are a major issue. He has projected approximately \$328,850 increase which they are beginning to experience. In closing, he stated the DOC has a proposal in Long Range Planning for the expansion of the reception area. The current area does not meet standard requirements. **SEN. CHRISTIAENS** asked for a copy of that report.

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There was some discussion on expansion plans and federal funds available for building. **Mr. Joe Williams, Administrator, Administrative Services Division**, stated new information has become available regarding a 5-year grant for a potential \$1,000,000 a year.

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DEPARTMENT OF CORRECTIONS HUMAN RESOURCES DIVISION

Mr. Ken McElroy, Bureau Chief for Human Resources, Department of Corrections, spoke about the labor market, the low level of unemployment and the low wage sectors formerly available to fill positions. His testimony and a copy of the slide presentation is a part of these minutes.

EXHIBIT(jch31a02) and **EXHIBIT(jch31a03)**

Mr. McElroy repeated Warden Mahoney's concerns about the cost of turnover. DOC research showed they were paying between \$1.40 and \$2.35 less per hour than other correctional facilities which has been shrinking the applicant pool. All research led to the conclusion that the long-term interests would best be served by moving to "professionalize" the correctional officer workforce. The DOC arrived at an adjusted pay structure which involved pay exceptions for those officers who work to improve knowledge, skills and competencies. The broad band approach is to have young staff begin to think about correctional officer positions as a career--not a short-term job. In closing, **Mr. McElroy** stated the move to become a professional workforce will allow them to be better equipped to deal with the issues that raise corrections' costs.

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CHAIRMAN FISHER asked how the current pay compares to the Shelby facility. **Mr. McElroy** stated MSP pays a little higher. **SEN. CHRISTIAENS** asked the total cost of the first \$1.00/hour pay raise. **Mr. McElroy** felt it was at about \$1,500,000 with benefits. Other issues discussed were the salary cap, cost of living increases, number of vacancies, time of vacancies, pay grade level for new employees and pay increases. **SEN. CHRISTIAENS** asked about reducing security posts manned at night. **Warden Mahoney** responded it is a union negotiated item and any cutbacks would have to be discussed with the union.

SEN. CHRISTIAENS asked for clarification regarding the 2 FTE's in the Food Bank. **Warden Mahoney** responded that in the infancy of the cannery, MSP helped them by funding the 2 FTE's. **Mr. Ross Swanson, Administrator, Montana Correctional Enterprises Division, Department of Corrections**, added the Food Bank and the Department of Health and Human Services (DPHHS) were to provide all funding if MSP provided the facility. In a cooperative effort to help the cannery in startup costs, MSP agreed to fund 2 FTE's from the ranch proprietary fund for one year only, but it was not to be MSP's long-term obligation. The Food Bank and DPHHS are currently having problems finding other funding for the FTE's and the entire program may be in danger. **Ms. LaFond** stated the budget office is currently working the DPHHS to keep the canning program. **Mr. Bill Slaughter, Director, Department of Corrections**, stated there were losses sustained by the ranch program in helping the cannery get started. With the budget cuts the DOC is facing, the program may be in jeopardy if DPHHS and the Food Bank do not find the funding.

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There was further discussion on how the cannery might stay in operation.

SEN. MOHL asked for further information on the 4% incentive pay raise.

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Director Slaughter responded he wanted to award the employee for performance and give an incentive to remain with DOC and MSP. After years of neglect in being able to compete with other agencies, he hopes these will be incentives to help keep

correction officers from going to local agencies at a higher rate of pay. It is not a 4% cost of living increase.

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PUBLIC TESTIMONY

Mr. Kirk Sandquist, President, Peoples Bank of Deer Lodge, testified as to the safety issues of the institution, employees, and the public when MSP is understaffed in correctional officers and training is curtailed due to budget deficits. He spoke about inmates needing treatment to gain skills necessary to survive in the community once they are released. He has already seen improvements in attitude from employees due to the first \$1.00/hour raise. He spoke in support of the central reception area being expanded.

Mr. Eric Boshart, Newspaper Publisher, Deer Lodge, testified MSP is a good neighbor for the Deer Lodge community and he feels Deer Lodge views MSP as an asset. However, in order to keep that good relationship, the community needs to feel safe and secure. He asked the committee to support the funding requests particularly in regards to the 31 modified FTE. He commended **Warden Mahoney** and his staff in their commitment to safety at MSP.

CHAIRMAN FISHER asked about employees using MSP vehicles for commuting between Helena and Deer Lodge. **Director Slaughter** answered although this might have been an issue in the past, a procedure has been established to resolve the problem.

SEN. CHRISTIAENS asked about the canteen contract. **Warden Mahoney** responded the bid process is followed and MSP tries to continue to patronize the local businessmen as much as possible. **Mr. Swanson** will get the contract information to the Senator.

Mr. Williams commended **Warden Mahoney** and his complete staff in avoiding a major incident in July, 1999. He stated if it were not for the masterful performances by **Warden Mahoney** and his staff, it could have been a repeat of the 1991 situation which resulted in loss of life and lawsuits.

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CONTRACT PLACEMENT BUREAU

Mr. Patrick Smith, Bureau Chief, Contract Placement Bureau, (CPB) gave the committee information for reference during his overview.

EXHIBIT(jch31a04)

He stated the mission statement per the exhibit, went over the organizational chart, and covered the graph of maximum populations of the facilities. He stated it is not possible to operate at 100% capacity due to transportation time and custody classifications. Contract Placement usually operates at about 92% capacity. He continued with the staff and responsibility and the goals and objectives of the Bureau.

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Mr. Smith gave a history of how the Bureau was formed. In 1998 a new unit/bureau was formed by MSP to monitor and manage private contracts out of state and new facilities opening in the state. There were problems in some of the out of state facilities with escapes, security problems, and medical costs. In May, 1999, it became an official Bureau with the goal in mind to bring all prisoners back into Montana. In December, 2000, all out of state offenders returned to Montana facilities, with Glendive, Great Falls, Missoula, and Shelby in operation.

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There was further discussion on the amount of new staff to corrections, how case managers are recruited, training, monitoring programs, safety factors for smooth running and action plans. **Director Slaughter** stated the Bureau came into CPB in a reactionary mode. To prevent the overcrowding situation again, it will take good projections and planning.

Mr. Smith continued in August, September, and October contract beds ran above the projections; therefore, 32 additional beds were contracted at Missoula. Current population at MSP is 1288 with 12 additional inmates expected.

Mr. Smith gave a brief description of facility contracts. He included daily costs, capacities, custody levels, and available programming for all 4 facilities. He stated the current situation. They have renegotiated contracts; a monitoring instrument has been devised; they are a nationally recognized program; and they work constantly with public safety in mind.

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Mr. Smith compared offender cost per day by operation-probation and parole, Montana State Prison, Montana State Women's Prison, and Treasure State Training Camp-for FY 2000. In closing, he

urged the committee to keep the funding levels for the Contract Placement Bureau at least at the requested levels.

SEN. PATTISON asked about the cost per day for out-of-state incarceration. Although the costs appear to be less, the medical is higher for out-of-state prisoners. In-state the medical costs are kept down with infirmary use. **SEN. CHRISTIAENS** asked for additional information on medical costs and wages paid in order to compare daily rates among the four facilities. The Senator also asked which facilities are working toward American Corrections Association (ACA) Accreditation, and about federal funds that might be available if other regional facilities were to be built such as in Bozeman. **Mr. Williams** responded there are some grants available such as the Violent Offender Grant but they cannot be counted on from year to year.

Mr. Williams continued that in planning, DOC always works toward the 75% community--25% secured ratio balance in offenders. In determining where expansion might be made, the DOC would look at adding pods to existing regional prisons as it is more cost effective than total new construction; however, pre-release centers would be located in different regions such as Bozeman. The figures presented by **Mr. Smith** are for contract beds in regional prisons. Beds contracted for in pre-release centers are in the Community Corrections Division. **SEN. CHRISTIAENS** asked about the \$4.2 million overrun in contract beds. **Mr. Williams** responded it is over a two-year period and is mainly in county jail costs. The sit-down strike cost DOC a great deal as they transferred prisoners to county jails. The strike lasted a day, but the repercussions lasted a year. Judges are also sending more offenders to prison than sentencing to probation and parole.

There was further discussion on contracts with county jails and rates, jail costs, the huge variance in local jail costs and why, capitol costs, and standardizing local jail costs.

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PUBLIC TESTIMONY

Mr. Jeff Walters, Administrator, Regional Facility, Glendive, spoke in support of continuing operation of the regional facility in Glendive. He urged the committee to approve funding at the requested amounts. He commented on the importance of working with the Contract Placement Bureau to identify dangerous inmates and moving them to MSP. It is a monitoring effort as well as a technical assistance effort. He fears without adequate funding, the seamless system they have strived to create will break down.

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Mr. Jim McDonald, Warden, Corrections Corporation of America, Shelby, stated he had been in corrections for 19 years. He feels the regional prisons provide a service to the state in a partnership role with the DOC and Contract Placement Bureau (CPB). The CPB also serves a communicator role between the regionals and the DOC.

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Mr. McDonald continued Shelby is currently pursuing ACA Accreditation. In closing, he stated the CPB holds the regional prisons accountable and responsible while at the same time helps them solve issues and become successful. He urged the committee's support of the Contract Placement Bureau.

There was discussion about starting wages and benefits paid for the four regional facilities. They vary from \$7.69 to \$10.59 with a large variance in benefits.

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Mr. Dan O'Fallon, Chief Captain, Cascade County Sheriff's Office, and Administrator of Great Falls Regional Prison, agreed with previous testimony and urged support of the CPB. The Bureau offers great support for the regional prison in its operation. He believes the regional concept is the best new idea in recent years for incarceration of offenders.

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Mr. Mike McMeekin, Undersheriff, Missoula County, spoke in support of both the MSP and CPB. He feels these are essential pieces of a much larger pie. The people in CPB are committed and are not 8-hour-a-day people. He stated in the Missoula Regional Prison, the per diem covers medical such as basic eye, dental, pharmacy, routine medical care, and 16-hour-a-day nursing care. They are not working toward ACA Accreditation at this time.

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Mr. Kent Funyak, Undersheriff, Cascade County Sheriff's Office, urged support of the CPB and the DOC budget requests. He stated without the regional facilities' sharing and cooperation at the local level, the counties would be overwhelmed. Corrections and detention are definitely not the same.

CHAIRMAN FISHER adjourned the meeting.

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ADJOURNMENT

Adjournment: 11:25 A.M.

REP. STANLEY FISHER, Chairman

SANDRA WHITAKER, Secretary

SF/SW

EXHIBIT (jch31aad)